

Dear _____:

Attached is a teaser describing an acquisition opportunity involving a historically profitable county-owned nursing home, Berks Heim Nursing and Rehabilitation (the "Heim"). The Heim has historically profitable operations with 2017 revenue of \$50.6 million and adjusted EBITDA of \$7.0 million.

The County seeks preliminary indications of interest from a limited number of potential buyers to acquire the Heim.

If you are interested in receiving additional information relating to the opportunity, including bid instructions, an information memorandum and access to the County's online data room, please email me, Mitch Smith at cmsm@griffinfinancialgroup.com or Michael Vind at mdv@fsandl.com.

Mitch Smith | Vice President

GRIFFIN FINANCIAL GROUP

A Stevens & Lee/Griffin Company

607 Washington Street | P.O. Box 1497 | Reading, PA 19603

Phone: 610-478-2043 | Internal: 1266 | Mobile: 215-570-7582 | Fax: 610-371-7910

cmsm@griffinfinancialgroup.com | www.griffinfinancialgroup.com

Member FINRA/SIPC

Michael D. Vind | Managing Director

Financial Solutions LLC

607 Washington Street | Reading, PA 19601

Phone: 610-478-2153 | Internal: 1157 | Fax: 610-988-0843

mdv@fsandl.com | www.fsandl.com

**REQUEST FOR PROPOSALS
for the Purchase of
BERKS HEIM NURSING AND REHABILITATION
from The County of Berks**

Transaction Griffin Financial Group LLC (“Griffin”) and Financial S&Lutions LLC (“FS&L”) have been retained as the exclusive advisors to the County of Berks (the “County”) in connection with the sale (the “Transaction”) of its county-owned nursing home, Berks Heim Nursing and Rehabilitation and certain related assets and liabilities (the “Heim”) to a strategic or financial buyer.

The County, through Griffin and FS&L, seeks preliminary indications of interest from a limited number of potential buyers to acquire the Heim, located at 1011 Berks Road, Leesport, PA 1933 in Berks County, Pennsylvania.

Overview of the Heim: Serving its community since 1952, the Heim is a profitable, county-owned, 420-unit nursing facility and rehabilitation center rated 4 out of 5 Stars based on overall quality from the Centers for Medicare and Medicaid (“CMS”). The full service skilled nursing facility and rehabilitation center consists of 392 semi-private beds and 28 private rooms, which includes a fully-equipped, 60-unit Alzheimer’s unit.

Constructed in 2005, the current Heim facility has a stone block and brick exterior located on 30.84 acres of improved property in close proximity to P.A. Route 183 and U.S. Route 222. The entirety of the property occupied by the Heim is zoned for “Institutional/Recreational” purposes. The purchaser would acquire this property in its entirety in connection with the acquisition of the Heim.

- Highlights:**
- Among the largest nursing homes in Berks County with a total market share in the County of 18.4% and is the fourth largest nursing home in Pennsylvania, by patient census.
 - Historically profitable operations with unaudited revenue of \$50.6 million, adjusted EBITDA of \$7.0 million and an adjusted EBITDA margin of 13.92% for the fiscal year ending December 31, 2017 based on unaudited, internally prepared financial statements.
 - Excellent reputation for providing high quality services and consistently high occupancy rates, averaging above 98.0% over the past five years and well in excess of County, State and National occupancy rate averages.
 - Local and national demographic trends favor the Heim’s operations with the increasing demand for nursing home beds and Alzheimer’s units.
 - Ability for an acquirer to expand operations on much of the Heim’s unoccupied 30.84 acres of improved property.
 - Post-Transaction balance sheet will be free of cash and funded debt and the Heim’s pension plan related liabilities.

The County, through FS&L and Griffin seeks preliminary indications of interest from potential buyers. If you are interested in receiving additional information relating to the Transaction, including bid instructions, a confidential information memorandum and access to the County’s online data room, please contact us as soon as possible indicating your interest. **Please note the existence of a tight time table with preliminary indications of interest due on or before June 22, 2018.** Questions should be directed to the persons listed below, and not the County or the Heim.

Michael Vind
Managing Director
Financial S&Lutions LLC
610-478-2153
mdv@fsandl.com

C. Mitchell Smith
Vice President
Griffin Financial Group LLC
610-478-2043
cmsm@griffinfinancialgroup.com